

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Blue Hills Regional School Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: January 8, 2021

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY21 (since the amount under the prior schedule was maintained in FY21) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.35% to 7.25% and an adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Blue Hills Retirement System
January 1, 2020 Actuarial Valuation

Appropriation increases 7.1% through FY31 with a final amortization payment in FY32

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2021	259,035	312,574	26,513	598,121	4,352,123	
2022	270,691	342,191	27,706	640,588	4,303,981	7.1%
2023	282,872	374,244	28,953	686,069	4,219,306	7.1%
2024	295,601	408,923	30,256	734,780	4,092,777	7.1%
2025	308,903	446,429	31,617	786,950	3,918,484	7.1%
2026	322,804	486,979	33,040	842,823	3,689,869	7.1%
2027	337,330	530,806	34,527	902,663	3,399,664	7.1%
2028	352,510	578,162	36,080	966,753	3,039,820	7.1%
2029	368,373	667,019		1,035,392	2,601,432	7.1%
2030	384,950	723,955		1,108,905	2,074,658	7.1%
2031	402,273	785,364		1,187,637	1,448,629	7.1%
2032	420,375	711,352		1,131,727	711,352	-4.7%
2033	439,292			439,292	0	-61.2%

Appropriation payments assumed to be made July 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$100,000.

FY21 amount maintained at level of current schedule.